



NEWS

State of Delaware
Department of Finance
Division of Revenue
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FOR FURTHER INFORMATION
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CONTRABAND CIGARETTES VOLUNTARILY TURNED OVER TO AUTHORITIES AT EDMOOR POST OFFICE

(Wilmington, DE) – Patrick T. Carter, Director of Revenue announced today that a citizen's tip resulted in the apprehension of a Wilmington resident for possessing untaxed cigarettes within the State of Delaware.

Yan Shao, age 25, was questioned at the Edgemoor Post Office after she took possession of 180 cartons of Newport-brand cigarettes, purchased over the Internet from a Native American operation based in New York, upon which the Delaware cigarette tax had not been paid or to which Delaware cigarette tax stamps were not affixed in the amount required.

The Division of Revenue's Criminal Investigation Unit along with agents from the U.S. Postal Inspection Service and the Bureau of Alcohol, Tobacco, Firearms, and Explosives were alerted to the suspected purchase of untaxed cigarettes scheduled to be picked up at the Edgemoor Post Office in Wilmington, Delaware.

As a result of this tip, 180 cartons of untaxed cigarettes in the possession of Yan Shao were voluntarily turned over to authorities and later confiscated by the Division of Revenue. A total of \$3,000.00 in cash was also seized.

The cigarettes were purchased from a company not licensed to conduct business in Delaware and also failed to reflect taxes owed to the State of Delaware. The 180 cartons represent a retail value of approximately \$5,400.00 and in purchasing these untaxed cigarettes, Shao avoided \$990.00 in Delaware cigarette taxes. The cigarettes were believed to have been purchased for sale at a retail store in Wilmington, Delaware.

The State of Delaware imposes a cigarette tax on the sale or use of cigarettes within the state at the rate of 55 cents for a package of 20 cigarettes or the equivalent of \$5.50 per carton.

Possession of untaxed cigarettes within the State of Delaware may result in criminal charges that carry a penalty of up to \$1,000.00 or not more than 90 days in jail, or both. In the event of a conviction, the cigarettes shall automatically be forfeited to the State of Delaware.

The investigation is ongoing and the case is being reviewed by the Delaware Attorney General's Office and the U.S. Attorney's Office.

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